

**TOWN OF WOLCOTT, WHITE COUNTY, INDIANA**

**ORDINANCE NO. 2015-04**

**AN ORDINANCE ESTABLISHING  
A WASTEWATER SYSTEM DEVELOPMENT CHARGE  
TO THE WASTEWATER FUND OF THE TOWN OF WOLCOTT**

**WHEREAS**, Indiana Code Section 8-1.5-3-8 requires that the Town of Wolcott (“Town”) on behalf of its Wastewater Utility establishes rates and charges which will produce an income sufficient to maintain the wastewater utility property in sound physical and financial condition to render adequate and efficient service; and

**WHEREAS**, said Code section requires that rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the Town Wastewater System. Such rates and charges shall produce sufficient revenue to: (1) pay all the legal and other necessary expenses incident to the operation of the utility, including: (A) maintenance costs; (B) operating charges; (C) upkeep; (D) repairs; (E) depreciation; and (F) interest charges on bonds or other obligations, including leases; (2) provide a sinking fund for liquidation of bonds or other obligations, including leases; (3) provide a debt service reserve for bonds or other obligations, including leases, in an amount established by the municipality, not to exceed the maximum annual debt service on the bonds or obligations or the maximum annual lease rentals; (4) provide adequate money for working capital; (5) provide adequate money for making extensions and replacements to the extent not provided for through depreciation in subdivision (1); and (6) provide money for the payment of any taxes that may be assessed against the utility.

**WHEREAS**, the Town Council of the Town has employed H. J. Umbaugh & Associates, a certified public accounting company, to study the financial status of the town's utilities, to complete financial studies, and to report upon the propriety and amount of Wastewater System Development Charge; and

**WHEREAS**, the Town Council of the Town wishes to establish a Wastewater System Development Charge from new users of the Town's Wastewater system equal to the net investment of existing users in the Wastewater System to render adequate and efficient service.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WOLCOTT, INDIANA:**

Section 1.

- A) That a "Wastewater System Development Charge" is the charge to a user for a new connection to or a change in the connection to accommodate additional wastewater usage from an existing connection to the Town's Wastewater System and is charged in return for the Town making available to such user the Town's wastewater system consisting of all facilities and operation necessary to render adequate and efficient service to such user.
- B) That the Wastewater System Development Charge shall be charged in addition to the Wastewater Connection Fee as outlined in Ordinance No. 2011-03 and any and all amended wastewater rates and charges in future ordinances. The amount of the Wastewater System Development Charge shall be dependent on the water meter size and shall be as established in Exhibit A of the Ordinance;
- C) That the purpose of the Wastewater System Development Charge is to recover from New Customers an equity fee for the investments and improvements already existing and developed by the Wolcott Municipal Utilities and its existing customers, in the Wastewater Treatment System and to apply the

proceeds of the Wastewater System Development Charge to support the excess capacity in the Wastewater Treatment System available for growth, and to thereby offset some of the costs associated with that excess capacity that would otherwise be paid by existing customers;

- D) That prior to any connection being implemented for a New Customer or implementing a connection for a larger capacity for an existing customer, the Wastewater System Development Charge must be paid in full; further no new connections to the Town's Water systems shall be allowed until a payment of a Wastewater System Development Charge has been made to the town; and,
- E) That all revenue collected from a Wastewater System Development Charge shall be deposited in the Wastewater Depreciation/Capital Improvement Fund.

(See attached hereto and made a part hereof)

Section 2. All other provision of all other rates and charges established by the Ordinance shall remain in full force and effect.

Section 3. This ordinance shall be in full force and effect from and after its passage.

Section 4. If any section, clause, provision or portion of this Ordinance shall be held to be invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Ordinance.

**DULY ORDAINED and ADOPTED** this 7th day of April, 2015, by the Town Council of the Town of Wolcott, County of White, Indiana having a vote of four in favor and none opposed.

**TOWN COUNCIL, TOWN OF WOLCOTT, INDIANA**

YEA

NAY

/s/ Marsha L. Mackey, President

/s/ Jon H. Evans, Vice President

/s/ Richard A. Lynn, Council Member

/s/ Fred A. Young, Council Member

/s/ Michael A. Yelton, Council Member

So Witnessed and attested to this 7<sup>th</sup> day of April, 2015:

/s/ Linda S. Bajzatt, IAMC, CMC  
Clerk-Treasurer

ATTACHMENT "A"

WOLCOTT (INDIANA) MUNICIPAL WASTEWATER UTILITY  
APRIL 7, 2015

WASTEWATER SYSEM DEVELOPMENT CHARGES BY METER SIZE

<u>METER SIZE</u>	<u>SYSTEM DEVELOPMENT FEE</u>
5/8" – 3/4"	\$ 2,086
1"	\$ 5,215
1 1/4"	\$ 8,344
1 1/2"	\$ 12,099
2"	\$ 20,860
3"	\$ 47,978
4"	\$ 83,440
6"	\$ 189,826

A meter size greater than a 6-inch meter size will be charged \$189,826 or actual cost.